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ENERGY AND COMMERCE COMMITTEE

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THE INTERNET

RESOURCES COMMITTEE

Congress of the United States

House of Representatives Washington, DC 20515-2107

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The Honorable Norman Y. Mineta Secretary Department of Transportation 400 Seventh Street S.W. Washington, DC, 20590

Dear Mr. Secretary:

I am writing to request your urgent attention to the situation regarding the safety of the transportation and storage of liquid natural gas (LNG) in Everett, Massachusetts. LNG is a critical component of the energy supply of our region, a supply source that has been interrupted by the events of September 11. It is critical to everyone in the Boston area that this supply be restored at the earliest opportunity, but only in a way that ensures the safety of the community.

As you know, our nation has long recognized the need to assure that the transportation and storage of LNG is safe, given the consequences of an accident involving this volatile gas. While it is important to recognize that this gas can quickly and harmlessly vaporize when exposed to air, thus reducing its value as a terrorist target, it is highly flammable under some circumstances, and its ignition could result in a fire that could cause significant loss of life and property.

Currently, there are only two operating LNG terminals in the continental U.S., the Distrigas facility in Everett, Massachusetts and the Trunkline facility in Lake Charles, Louisiana. In addition to these facilities, I understand that the mothballed LNG terminals in Cove Point, Maryland and Elba Island Georgia may soon be reopened to meet our nation's increasing demand for natural gas for home heating, electricity generation, and other purposes. Given the importance of maintaining and expanding operations at these facilities if America is to meet its current and future energy needs, it is essential for appropriate protections to be put into place at LNG facilities to secure them from the potential for terrorist attack.

While I understand that the Department has responsibilities for all LNG facilities, I am principally concerned with what measures are being undertaken to assure the protection of the Distrigas of Massachusetts facility in Everett, which is located in the Seventh Congressional District. The Distrigas terminal has been in continuous operation since the early 1970s. It has received in excess of 400 cargoes of LNG, and appears to have maintained a strong safety record throughout its years of operation.

As you know, the Distrigas facility forms a critical part of New England's energy infrastructure. Its continued operation is vitally important to our regional economy. The Distrigas facility received 46 shipments of LNG last year, and has a storage capacity of 3.5 billion cubic feet (Bcf). It has sendout capability of 450,000 MMBtu/day (Million British Thermal Units/day) by reconversion into natural gas at its onsite vaporization facility and 100,000 MMBtu/day by truck. It provides on average 15-20% of the region's daily energy supply. Distrigas is connected to the region's two main interstate pipeline systems - Algonquin and Tennessee. In addition, construction is currently underway to more than double the LNG vaporization capacity at the Everett terminal to over one billion cubic feet per day in late 2001. This upgrade will enable the facility to fuel a 1,550 megawatt power plant currently under construction near the Everett terminal, which will help meet our region's future electricity demand.

Given the importance of the Distrigas facility to New England's energy infrastructure, I believe it vitally important that every reasonable effort be undertaken to assure the facility is able to safely continue its operations and that the surrounding community is protected from the consequences of such an attack. As you know, 49 USC 601 requires the Secretary of Transportation to prescribe "minimum safety standards" for pipeline transportation and pipeline facilities. Given the Department's responsibilities, I ask your assistance in helping me understand what measures your agency is taking to carry out its public safety responsibilities with respect to LNG facilities like the Distrigas facility in light of the terrible events of September 11, 2001. In that regard, I request your assistance and cooperation in responding to the following questions:

General questions

- 1) Has there ever been any verified terrorist threat against a LNG facility, either in the U.S. or abroad?
- 2) How many federal, state and local agencies have significant elements of responsibility for the security of transportation of LNG to the storage facility and for the storage facility itself? Please describe the roles of each agency. Of these, who is in charge of security? Do you believe there exist adequate resources to conduct these activities? If not, please describe what would be required to do so.
- 3) How many federal, state and local agencies have significant elements of responsibility for emergency response efforts in the event of an accident at or attack on LNG facilities? Please describe the roles of each agency. Of these, who is in charge of emergency response efforts? Do you believe there exist adequate resources to conduct these activities? If not, please describe what would be required to do so.

- 4) I understand that the Coast Guard issued an order that requires Distrigas to postpone the docking of a tanker carrying LNG that was planned for this week. Was this order given because of a specific known security threat to the tanker or storage facility? When do you anticipate that it will be safe for the tanker to make its delivery?
- 5) I have been informed that Distrigas has had a good safety record over the years. Is this true, and in light of the events of September 11, are there any areas where the Department would recommend changes in safety practices and procedures?

Questions on transportation of LNG to the storage facility

- 6) Please describe the emergency response plan in the event that an accident or deliberate attack causes the release of LNG as it passed through Boston Harbor and arrives in port at the Everett terminal. Please also describe the potential consequences of such an event.
- 7) 49 USC 601 states that "the qualifications applicable to an individual who operates and maintains a pipeline facility shall address the ability to recognize and react appropriately to abnormal operating conditions that may indicate a dangerous situation or a condition exceeding design limits." Please describe the standards in place to ensure that the operators of LNG transportation operations are able to recognize and react appropriately to both accidental leaks and terrorist attacks. How does DOT oversee and evaluate the continued ability of the operators to meet these standards? Do you believe these standards are adequate, in light of the events of September 11? If not, what changes will you be making, and when will they be completed?
- 8) What on-board and on-shore security measures are in place to ensure that the safety of the transport is not threatened by ground- or sea-based attacks as it arrives in port? What security measures ensure the safety of the LNG as it is being transported to the storage facility? Do you believe these standards are adequate, in light of the events of September 11? If not, what do you believe should be changed?
- 9) 49 USC 601 states that "the operator of a pipeline shall ensure that employees who operate and maintain the facility are qualified to operate and maintain the pipeline facilities." Please describe the qualifications necessary to be employed at LNG transportation activities. Do prospective employees (U.S. citizens and foreign nationals) undergo both periodic criminal background checks to ensure that they have not committed any crimes within the U.S., and periodic background checks to ensure that they have no connection to domestic or foreign groups who might seek to pose a threat to the U.S.? If not, why not?

10) Does the FAA currently restrict air-space during the arrival at port and transport of the LNG to the storage facility? If so, how? If not, why not? In the aftermath of the September 11 attacks, have there been changes in flight restrictions relating to the LNG facility at Everett?

Questions on security at the storage facility

- 11) Please describe the emergency response plan in the event that an accident or deliberate attack causes the release of LNG from the storage facility. What assurances do you have that federal, state, and local emergency responders have the resources and capabilities to effectively carry out this plan? If state and local resources and capabilities are inadequate, will the federal government take steps to provide the support needed to improve them?
- 12) 49 USC 60103 states that the minimum safety standards prescribed by the Secretary of Transportation may consider the: "1) kind and use of the facility; 2) existing and projected population and demographic characteristics of the location; 3) existing and proposed land use near the location; 4) natural physical aspects of the location; 5) medical, law enforcement, and fire prevention capabilities near the location that can cope with a risk caused by the facility; and 6) need to encourage remote siting." Please describe these standards as they relate to the safety of LNG storage facilities, particularly security measures designed to protect against an accident at or ground- or air-based attack on the facility located in Everett, MA. How does DOT oversee and evaluate the continued ability of the operators to meet these standards? Do you believe these standards are adequate, in light of the events of September 11? If not, what changes will you be making, and when will they be completed?
- 13) 49 USC 60103 states that the Secretary of Transportation should prescribe minimum operation and maintenance standards that consider: "1) the conditions, features, and type of equipment and structures that make up or are used in connection with the facility; 2) the fire prevention and containment equipment at the facility; 3) security measures to prevent an intentional act that could cause a liquefied natural gas accident; 4) maintenance procedures and equipment; 5) the training of personnel in matters specified by this subsection; and 6) other factors and conditions related to the safe handling of liquefied natural gas." Please describe the standards that are in place to address accidents at or ground- or air-based attacks on LNG storage facilities, particularly the one located in Everett, MA. How does DOT oversee and evaluate the continued ability of the operators to meet these standards? Do you believe these standards are adequate, in light of the events of September 11? If not, what changes will you be making, and when will they be completed?

- 14) 49 USC 601 states that "the operator of a pipeline shall ensure that employees who operate and maintain the facility are qualified to operate and maintain the pipeline facilities." Please describe the qualifications necessary to be an employee at a LNG storage facility. Do prospective employees (U.S. citizens and foreign nationals) undergo both periodic criminal background checks to ensure that they have not committed any crimes within the U.S., and periodic background checks to ensure that they have no connection to domestic or foreign groups who might seek to pose a threat to the U.S.? If not, why not?
- 15) Does the FAA currently restrict airspace above the LNG storage facility? If not, why not?
- 16) The LNG facility in Everett, MA is located adjacent to the Mystic Station electrical generation facility, and, as I mentioned earlier connects to the Tennessee and Algonquin natural gas pipeline facilities. What would be the consequences of the spread of fire due to a fire or explosion at the LNG facility to the Mystic Station Facility and to the interconnected pipeline facilities? What measures are in place to ensure that any fire or explosion due to an accident at or attack on the LNG facility does not spread to these facilities, resulting in disruptions in national gas and electricity generation and transmission infrastructures? If no such measures are currently in place, why not, and what measures could be taken in the future?
- 17) Please describe the security measures in place to prevent an accident at or attack on pipelines that distribute LNG from the storage facility.

Thank you very much for your prompt attention to this urgent matter. I request that a response to this inquiry be provided within 15 working days, or no later than October 17, 2001. If you have any questions or concerns regarding this request, please have your staff contact Dr. Michal Freedhoff or Mr. Jeffrey Duncan of my staff at 202-225-2836.

Sincerely

Edward J. Markey